



10 July 2015

Mr Les McLaughlan
Divisional State Secretary
Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia - Electrical, Energy and Services Division – Western Australian
Divisional Branch
24/257 Balcatta Road
BALCATTWA WA 6021

via email: cepu@etuwa.com.au

Dear Mr McLaughlan

**Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied
Services Union of Australia - Electrical, Energy and Services Division – Western
Australian Divisional Branch Financial Report for the year ended 31 December 2014 -
FR2014/392**

I acknowledge receipt of the financial report for the year ended 31 December 2014 for the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia - Electrical, Energy and Services Division – Western Australian Divisional Branch. The financial report was lodged with the Fair Work Commission (FWC) on 15 June 2015.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 31 December 2015 may be subject to an advanced compliance review.

I make the following comments to assist you when you next prepare a financial report. You are not required to take any further action in respect of the report lodged. The FWC will confirm these concerns have been addressed prior to filing next year's report.

Designated Officer's Certificate

Certificates to be signed and dated by designated officer

Section 268 of the RO Act requires the certificate by the designated officer to certify that the documents lodged are copies of the documents provided to members and presented to a meeting in accordance with section 266.

The Designated Officer's Certificate provided is dated the 1 April 2014 which is before the full report was provided to members and before the presentation of the full report to the Committee of Management. The Designated Officer's Certificate must be signed after these events as the purpose of the certificate is to confirm the occurrence and timing of these events.

11 Exhibition Street Telephone: (03) 8661 7777
Melbourne VIC 3000 International: (613) 8661 7777
GPO Box 1994 Facsimile: (03) 9655 0401
Melbourne VIC 3001 Email: orgs@fwc.gov.au

Reporting Requirements

On the FWC website a number of factsheets in relation to the financial reporting process and associated timelines are available. The most recent copy of the Reporting Guidelines and a model set of financial statements can also be found. The FWC recommends reporting units use this model as it will assist in ensuring compliance with the RO Act, the s.253 Reporting Guidelines and the Australian Accounting Standards. Access to this information may be obtained via [this link](#).

Should you wish to discuss the matters raised in this letter, or if you require further information on the financial reporting requirements of the Act, I may be contacted on (03) 8661 7886 or by email at joanne.fenwick@fwc.gov.au.

Yours sincerely



Joanne Fenwick
Financial Reporting Specialist
Regulatory Compliance Branch



8th June, 2015

Fair Work Australia,
Level 8,
80 William Street,
EAST SYDNEY NSW 2011



ATTENTION: Deputy Industrial Registrar

Dear Sir/Madam,

RE: Financial Return – Year ending 31 December, 2014

Please find attached Audit Report for the year ending
31 December 2014, Statutory Declaration and Membership Return.

Should you have any queries please do not hesitate to contact the
undersigned.

Yours faithfully,

KIM STEWART
CPA

(enclosure)

ETU

Electrical Trades Union

THE ELECTRICAL DIVISION
of the Communications,
Electrical, Electronic,
Energy, Information, Postal,
Plumbing and Allied Services
Union of Australia (CEPU)

ABN No: 78 117 032 302

L. McLaughlan
Divisional Branch Secretary
Mobile: 0403 601 990

J. Murie
Assistant Divisional
Branch Secretary
Mobile: 0403 601 997

ORGANISERS

P. Carter
Mobile: 0403 601 991

J. Fiala
Mobile: 0403 601 996

G. Wilton
Mobile: 0407 199 256

SOUTH-WEST

T. Hayes
Mobile: 0417 095 665

NORTH-WEST

M. Jordan
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Unit 24
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BALCATTWA WA 6914

Phone: (08) 9440 3522
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Email: cepu@etuwa.com.au
Website: www.etuwa.com.au

WESTERN AUSTRALIA

STATUTORY DECLARATION BY BRANCH SECRETARY

I, Les McLaughlan, Branch Secretary of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Engineering and Electrical Division, WA Branch sincerely declare as follows:

As at 1 January 2015 there were 7,268 Registered Members in the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Engineering and Electrical Division, WA Branch.

That annexed hereto as Annexure 'E' a true copy of the list of names, residential addresses, and occupations of persons holding office in the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia Engineering and Electrical Division, WA Branch .

That such annexure is to the best of my knowledge a correct statement of the information contained herein.

This declaration is true and I know that it is an offence to make a declaration knowing that it is false in a material particular.

This declaration is made under the Oaths, Affidavits and Statutory Declarations Act 2005

Declared at Perth {place}

This 1 day of APRIL 20

Before me

Kim J Stewart {Signature of authorised witness}

[Signature] {Ordinary signature of declarant}

Kim Julie Stewart Certified Practising Accountant {Name of authorised witness and qualification as such witness}

#THE CRIMINAL CODE S169. False statements in statements required to be under oath or solemn declaration

Any person who, on any occasion on which a person making a statement touching any matter is required by law to make it on oath or under some sanction which may by law be substituted for an oath, or is required to verify it by solemn declaration or affirmation, makes a statement touching such matter which, in any material particular, is to his knowledge false, and verifies it on oath or under such other sanction or by solemn declaration or affirmation, is guilty of crime, and is liable to imprisonment for 7 years.

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL,
PLUMBING AND ALLIED SERVICES OF AUSTRALIA, ENGINEERING
AND ELECTRICAL DIVISION, WA BRANCH)**

**LIST OF ELECTRICAL DIVISION WESTERN AUSTRALIAN BRANCH
OFFICES AND THE NAMES, POSTAL, ADDRESSES AND OCCUPATIONS
OF PERSONS HOLDING OFFICE**

AS AT 1 JANUARY, 2015

<u>PRESIDENT</u>	MANHOOD, 20 Weston Drive SWAN VIEW	R 6056	Electrical Fitter
<u>VICE PRESIDENT</u>	COULTER, 41 Rosegreen Ave BUTLER	M 6036	Linesperson
<u>SECRETARY</u>	McLAUGHLAN, 9 Richards Close WAIKIKI	L 6169	Union Secretary
<u>ASSISTANT SECRETARY</u>	MURIE, 41 Manbari Cres WANNEROO	J 6065	Assistant Secretary
<u>BRANCH EXECUTIVE</u>	McLAUGHLAN, 9 Richards Close WAIKIKI	L. 6169	Union Secretary
	MANHOOD, 20 Weston Drive SWAN VIEW	R 6056	Electrical Fitter
	COULTER, 41 Rosegreen Ave, BUTLER	M 6036	Linesperson
	DELLAVANZO, 39 Castle Road Turn JOONDALUP	J 6027	Electrical Fitter
	DONALDSON, 35 Belmont Road KENWICK	M 6107	Moulder
	TAYLOR, 49 Le Grand Gardens MARANGAROO	S 6064	Elect Fitter/Installer

**BRANCH STATE
COUNCIL**

CARTER, 6 St Agnes Green SOUTHERN RIVER	P 6110	Union Organiser
CLANCEY, 55 Archibald St WILLAGEE	D 6156	Electrician
COULTER, 41 Rosegreen Avenue BUTLER	M 6036	Linesperson
DELLAVANZO, 39 Castlerock Turn JOONDALUP	J 6027	Electrical Fitter
DONALDSON, 35 Belmont Road KENWICK	M 6107	Moulder
DWYER, 12 Jesmond Lane SUCCESS	G 6164	Electrician
FIALA 10 McAllister Gardens MIRRABOOKA	J 6061	Union Organiser
FOWLIE, 47 Bluefin Drive GOLDEN BAY	D 6174	Electrical Fitter
HAYES, 4 Birkdale Court COOLOONGUP	T 6168	Union Organiser
MANHOOD, 20 Weston Drive SWAN VIEW	R 6056	Electrical Fitter
McLAUGHLAN 9 Richards Close WAIKIKI	L 6169	Union Secretary
MURIE, 41 Manbari Cres WANNEROO	J 6065	Assistant Secretary
O'REGAN, 7 Riverglen Drive YUNDERUP	S 6208	Linesperson
REEVE, 16 Kanji Loop ATWELL	B 6156	Union Organiser
TAYLOR, 49 Le Grand Gardens MARANGAROO	S 6064	Elect Fitter/Installer

**COMMUNICATIONS, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING
AND ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

CONTENTS

	Pages
Designated Officer's Certificate	3
Operating Report	4-6
Committee of Management Statement	7-8
Statement of Profit or Loss and Other Comprehensive Income	9-10
Statement of Financial Position	11
Statement of Changes in Members' Funds	12
Statement of Cash Flows	13
Statement of Recovery of Wages Activity	14
Notes to the Financial Statements	15-52
Independent Audit Report to the Members	53-54

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
FOR THE YEAR ENDED 31 DECEMBER 2014

I, Mr Les McLaughlan, being the Branch Secretary of the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch certify:

- That the documents lodged herewith are copies of the full report for the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch for the year ended 31 December 2014 referred to in s268 of the Fair Work (Registered Organisations) Act 2009; and
- That the full report was provided to members of the reporting unit on 24th April 2014; and
- That the full report was presented to a meeting of the committee of management of the reporting unit on 3rd June 2015 in accordance with s266 of the Fair Work (Registered Organisations) Act 2009.

Les McLaughlan

Name

Branch Secretary

Title

X
Signature



Date

1/4/2015

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

Principal Activities

The principal activities of the Union during the financial year were the provision of industrial, professional and managerial services to the members consistent with the object and rules of the Union and in particular, protecting and improving the interests of members.

Results of Principal Activities

The Union has been successful in meeting its objectives.

The Union's principal activities resulted in an operating (loss) / profit for the financial year of (\$9,735) (2013: \$200,668). The decrease in the surplus is largely attributable to the \$190,025 loss arising from the transfer of Plumbing Members across to the Plumbing Trades Employees' Union Communication, Electrical & Plumbing Union (PTEU). This is non-recurring in nature.

Significant Changes in Nature of Principal Activities

Effective 28 March 2014 the Plumbing Members have transferred to the PTEU.

There were no other significant changes in the nature of the Union's principal activities during the financial year.

Significant Changes in the Union's Financial Affairs

No matters or circumstances arose during the reporting year which significantly affected the financial affairs of the Union.

Rights of Members to Resign

Members may resign from the Union in accordance with Rule 4.5.4. which sets out the conditions for resignation of a member.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

Officers and employees who are directors of a company or a member of a Board

The following officers of the Union held reserved positions in the following entities:

Name	Official Position	Other Positions Held
Les McLaughlan	Branch Secretary	Board member of My Leave Board, Construction Training Fund and Combined Skills Training
Greg Wilton	Organiser	Board member of Energy Safety and Combined Skills Training
Jim Murie	Assistant Branch Secretary	Board member of Combined Skills Training
Peter Carter	Branch Councillor	Board member of Combined Skills Training
Joe Fiala	Branch Councillor	Board member of Combined Skills Training
Kim Stewart	Office Manager	Board member of Combined Skills Training

Number of Members

The number of persons who, at the end of the financial year, were recorded on the Register of members was 7,268 (2013: 7,916).

Number of Employees

The number of persons, expressed as a full-time equivalent, who were, at the end of the financial year, employees of the Union was 15 (2013: 19).

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**OPERATING REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

Names of Committee of Management Members and period positions held during the financial year

The persons who held office as members of the Committee of Management of the Union during the whole of the financial year, unless otherwise stated:

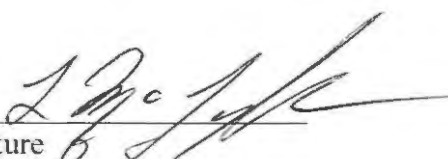
Name	Title of Officer
R Manhood	Branch President
M Coulter	Deputy Branch President
L McLaughlan	Branch Secretary
J Murie	Assistant Branch Secretary
J Balfour	Branch Councillor (resigned 04.08.14)
P Carter	Branch Councillor
D Clancey	Branch Councillor
M Coulter	Branch Councillor
J Daly	Branch Councillor (resigned 03.02.14)
J Dellavanzo	Branch Councillor
M Donaldson	Branch Councillor
G Dwyer	Branch Councillor
J Fiala	Branch Councillor
D Fowlie	Branch Councillor
T Hayes	Branch Councillor
J Hughes-Owen	Branch Councillor (resigned 03.12.14)
M Jordan	Branch Councillor (resigned 04.06.14)
G McDonald	Branch Councillor (resigned 03.02.14)
S O'Regan	Branch Councillor
B Reeve	Branch Councillor
S Taylor	Branch Councillor

Les McLaughlan

Name

Branch Secretary

Title

X

Signature

1/4/2015
Date

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

On the 1st April 2015, the Committee of Management of The Western Australian Branch of *Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Engineering and Electrical Division* passed the following resolution in relation to the **general purpose financial report (GPFR)** for the financial year ended *31 December 2014*:

The Committee of Management declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards;
- (b) the financial statements and notes comply with the reporting guidelines of the General Manager;
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the reporting unit for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the reporting unit will be able to pay its debts as and when they become due and payable;
- (e) during the financial year to which the GPFR relates and since the end of that year:
 - (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (ii) the financial affairs of the reporting unit have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and
 - (iii) the financial records of the reporting unit have been kept and maintained in accordance with the *Fair Work (Registered Organisations) Act 2009*; and
 - (iv) the financial records of the reporting unit have been kept, as far as practicable, in a consistent manner to each of the other reporting units of the organisation; and
 - (v) where information has been sought in any request by a member of the reporting unit or General Manager duly made under section 272 of the *Fair Work (Registered Organisations) Act 2009* has been provided to the member of General Manager; and
 - (vi) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the *Fair Work (Registered Organisations) Act 2009*, there has been compliance.

COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH

COMMITTEE OF MANAGEMENT STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)

- (i) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management.

For Committee of Management: *Les McLaughlan*

Title: *Branch Secretary*

Signature: *



Date:

1/4/2015

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014**

	NOTE	2014 \$	2013 \$
Revenue from Continuing Operations			
Membership subscription	4	3,612,648	3,038,971
ATC Insurance Commission		602	887
ETU Vic Insurance Rebate		248,193	191,099
Interest		116,535	122,934
Wages Subsidy – Board fees		29,488	16,893
Other revenue		14,870	35,242
Total Revenue from Continuing Operations		<u>4,022,336</u>	<u>3,406,026</u>
Other Income from Continuing Operations			
Contribution from CEPU National Office		50,000	-
Grants		-	-
Donations		2,050	50
Net (loss)/gains from sale of assets		(10,841)	(6,067)
Total Other Income from Continuing Operations		<u>41,209</u>	<u>(6,017)</u>
TOTAL INCOME FROM CONTINUING OPERATIONS		<u>4,063,545</u>	<u>3,400,009</u>
Expenses from Continuing Operations			
Administration expenses		202,355	167,795
Affiliation fees	5	80,271	75,456
Audit fees	5	68,224	48,902
Campaign costs		107,047	49,021
Conferences and meeting expenses		23,193	45,270
Consideration to employers for payroll deductions		-	-
Contribution to other CEPU Offices		10,000	-
Depreciation and amortisation		84,626	63,430
Employee costs – officer	5	1,896,271	1,607,784
Employee costs - other	5	360,460	305,521
Fees/allowances – meetings and conferences		17,394	15,428
Finance costs	5	48,198	60,581
Donations	5	60,891	35,605
Impairment of receivables		11,359	40,074
Insurance		75,345	66,116
Legal costs		22,076	8,956
Levies		-	-
Occupancy costs (other than rent)		51,632	45,620
Other expenses		153,947	112,025
Penalties		-	-
Rental expenses		40,252	37,018
Sustentation fees/Capitation fees	5	481,200	413,888
Travel		88,514	146,350
Total Expenses from Continuing Operations		<u>3,883,255</u>	<u>3,344,840</u>
PROFIT FROM CONTINUING OPERATIONS		<u>180,290</u>	<u>55,169</u>

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

	2014 \$	2013 \$
(LOSS)/PROFIT FROM DISCONTINUING OPERATIONS (Refer to Note 20)	<u>(190,025)</u>	<u>145,499</u>
(LOSS) / PROFIT FOR THE YEAR	(9,735)	200,668
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME ATTRIBUTABLE TO MEMBERS	<u>(9,735)</u>	<u>200,668</u>

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	NOTE	2014 \$	2013 \$
CURRENT ASSETS			
Cash and Cash Equivalents	6	206,283	469,505
Trade and Other Receivables	7	312,253	211,042
TOTAL CURRENT ASSETS		518,536	680,547
NON-CURRENT ASSETS			
Other Financial Assets	8	4,959,732	4,644,470
Property, Plant & Equipment	9	454,542	520,623
TOTAL NON-CURRENT ASSETS		5,414,274	5,165,093
TOTAL ASSETS		5,932,810	5,845,640
CURRENT LIABILITIES			
Trade and Other Payables	10	1,071,768	1,006,362
Employee Provisions	11	1,318,241	1,286,742
TOTAL CURRENT LIABILITIES		2,390,009	2,293,104
TOTAL LIABILITIES		2,390,009	2,293,104
NET ASSETS		3,542,801	3,552,536
MEMBERS' FUNDS			
Retained Earnings		3,542,801	3,552,536
General Fund		-	-
Special Purpose Fund		-	-
TOTAL MEMBERS' FUNDS		3,542,801	3,552,536

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF CHANGES IN MEMBERS' FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Special Purpose Fund	General Fund	Retained Earnings	Total
Balance at 1 January 2013	-	-	3,351,868	3,351,868
Profit for the year	-	-	200,668	200,668
Other comprehensive income for the year	-	-	-	-
Transfers to/from funds	-	-	-	-
Balance at 31 December 2013	-	-	3,552,536	3,552,536
Loss for the year	-	-	(9,735)	(9,735)
Other comprehensive income for the year	-	-	-	-
Transfers to/from funds	-	-	-	-
Balance at 31 December 2014	-	-	3,542,801	3,542,801

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	NOTE	2014 \$	2013 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Member Contributions		3,638,022	3,837,317
Receipts from Members' Entrance Fees		2,229	2,402
Interest Received		116,814	130,979
ETU Insurance Rebate		193,187	216,201
Wage Subsidies Received		26,606	16,893
Donations received		2,050	50
Other Receipts		13,030	41,603
Payments to Supplies & Employees		(3,742,824)	(3,441,450)
Contribution from National office		50,000	-
		<hr/>	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	12	299,114	803,995
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for Property, Plant & Equipment		(57,346)	(76,372)
Payments for Financial Assets		(315,262)	(577,053)
Proceeds from Sale of Property, Plant and Equipment		10,272	11,818
Payments to PTEU for transfer of Plumbing Division		(200,000)	-
		<hr/>	<hr/>
NET CASH PROVIDED BY INVESTING ACTIVITIES		(562,336)	(641,607)
NET CASH PROVIDED BY FINANCING ACTIVITIES			
		<hr/>	<hr/>
		-	-
Net Increase in Cash Held		(263,222)	162,388
Cash at 1 January		469,505	307,117
		<hr/>	<hr/>
CASH AT 31 DECEMBER	6	206,283	469,505

The accompanying notes form part of these financial statements.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**STATEMENT OF RECOVERY OF WAGES ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2014**

	2014	2013
	\$	\$
Cash assets in respect of recovered money at the beginning of the year		
Receipts		
Amounts recovered from employers in respect of wages etc	-	-
Interest received on recovered money	-	-
Total Receipts	-	-
Payments		
Deductions of amounts dues in respect of membership	-	-
Deductions of donation or other contributions to accounts or funds of: <Name of reporting unit and fund>	-	-
Deductions of fees or reimbursement of expenses	-	-
Payments to workers in respect of recovered money	-	-
Total Payments	-	-
Cash assets in respect of recovered at the end of the year	-	-
Number of workers to which the monies recovered relates	-	-
Aggregate payables to workers attributable to recovered monies but not yet distributed		
Payable balance	-	-
Number of workers the payable relates to	-	-
	-	-
Fund or account operated for recovery of wages	-	-

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements cover the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch as an individual entity (the Union).

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period and the *Fair Work (Registered Organisations) Act 2009*. For the purpose of preparing the general purpose financial statements, the Union is a not-for-profit entity.

The financial statements, except the cash flow information, have been prepared on an accruals basis and are based on historical costs and do not take into account changing money values or, except where stated, fair values of non-current assets. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The amounts presented in the financial statements are presented in Australian dollars and have been rounded to the nearest dollar.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

Accounting Policies

a) Fixed Assets

Each class of property, plant and equipment is carried at cost less where applicable any accumulated depreciation and any accumulated impairment losses. Cost is measured as the fair value of the assets given or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Land is not depreciated. Depreciation on other assets is calculated on the straight line basis in order to write off the cost of fixed assets over their estimated useful lives, as follows:

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Fixed Assets (continued)

- *Buildings - 40 years*
- *Office Equipment - 3 1/3 years*
- *Office Furniture - 10 years*
- *Motor Vehicles - 5 1/3 years*

The gain or loss on disposal of all fixed assets, is determined as the difference between the carrying amount of the asset when control of the asset has passed to the buyer, and the proceeds of disposal and is included in operating profit of the union in the year of disposal. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

b) Employee Entitlements

Short-term obligations

Liability for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Long term employee benefit obligations

The liabilities for long service leave, retirement leave and annual leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit and loss.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

b) Employee Entitlements (continued)

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

e) Income Tax

No provision for income tax is necessary as "Trade Unions" are exempt from income tax under Section 50-15 of the Income Tax Assessment Act (1997).

d) Cash

Cash is recognised at its nominal amount. For the purposes of the Statement of Cash Flows, cash includes cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

e) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Revenue for subscriptions is accounted for on an accruals basis and is recorded as revenue in the period to which it relates. Donation income is recognised when it is received.

f) Financial Assets

The Union classifies financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivable, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when entity provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. They are stated at amortised cost using the effective interest rate method. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition would be immaterial.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Financial Assets (continued)

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that management has the positive intention and ability to hold to maturity. They are stated at amortised cost using the effective interest method. These are short term investments however they have been classified as non-current because they are to be rolled over continuously until needed to pay the retirement allowance and long service leave.

At each balance date where there is objective evidence that a financial asset is impaired an assessment of the impaired value is made. Impairment losses are recognised in the income statement.

Effective interest method

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of income or expense in the profit or loss.

Impairment of financial assets

Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Union's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance are recognised in the profit or loss.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Financial Assets (continued)

Derecognition of financial assets

The Union derecognised a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the profit or loss.

g) Financial Liabilities

Financial liabilities, including borrowings and trade and other payables, are initially measured at fair value, net of transaction costs. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Union derecognises financial liabilities when, and only when, the Union's obligations are discharged, cancelled or they expire. The difference between the carrying amounts of the financial liability derecognised and the consideration paid and payable is recognised in the profit or loss.

h) Impairment of Non-Financial Assets

At each reporting date, the Union reviews the carrying values of its non-financial assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Where the future economic benefits of the assets are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Union estimates the recoverable amount of the cash generating unit to which the asset belongs.

i) Leases

Lease payments on operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight line basis over the lease term.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

k) Critical accounting estimates and judgements

The Committee of Management evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the union.

Key estimates - Impairments

The Union assesses impairment at each reporting date by evaluating conditions specific to the Union that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The Committee of Management estimates, based on past history approximately 15% (2013: 25%) of the trade receivables relating to outstanding membership subscription revenue is doubtful and therefore a provision for impairment has been made for this amount.

Key estimates – Employee Entitlements

The Committee of Management has factored a 4% pa (2013: 5%) future salary increase into the measurement of long term employee benefit obligations.

l) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and trade creditors in the statement of financial position are shown inclusive of GST.

The net amount of GST receivable from, or payable to the ATO is included as part of receivables or payables. Cash flows arising from GST are included in the cash flow statement on a gross basis within operating cash flows.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

m) New and Amended Standards Adopted by the Union

The Union has applied the following standards and amendments for the first time in their annual reporting period commencing 1 January 2014:

Reference	Title
AASB 1053	<p>Application of Tiers of Australian Accounting Standards</p> <p>This standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements:</p> <p>a. Tier 1: Australian Accounting Standards b. Tier 2: Australian Accounting Standards - Reduced Disclosure Requirements</p> <p>Tier 2 comprises the recognition, measurement and presentation requirements of Tier 1 and substantially reduced disclosures corresponding to those requirements.</p> <p>The following entities apply Tier 1 requirements in preparing general purpose financial statements:</p> <p>a. For-profit entities in the private sector that have public accountability (as defined in this standard) b. The Australian Government and State, Territory and Local governments</p> <p>The following entities apply either Tier 2 or Tier 1 requirements in preparing general purpose financial statements:</p> <p>a. For-profit private sector entities that do not have public accountability b. All not-for-profit private sector entities c. Public sector entities other than the Australian Government and State, Territory and Local governments.</p> <p>Consequential amendments to other standards to implement the regime were introduced by AASB 2010-2, 2011-2, 2011-6, 2011-11, 2012-1, 2012-7 and 2012-11.</p> <p>The Union is a Tier 1 entity and is not eligible to apply the reduced disclosure requirements.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) New and Amended Standards Adopted by the Union (continued)

Reference	Title
AASB 2011-4	<p>Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]</p> <p>This amendment deletes from AASB 124 individual key management personnel disclosure requirements for disclosing entities that are not companies. It also removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.</p>
AASB 2012-3	<p>Amendments to Australian Accounting Standards - <i>Offsetting Financial Assets and Financial Liabilities</i></p> <p>AASB 2012-3 adds application guidance to AASB 132 Financial Instruments: Presentation to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.</p> <p>This has no impact on the Union, since it has no offsetting arrangements.</p>
Interpretation 21	<p><i>Levies</i></p> <p>This Interpretation confirms that a liability to pay a levy is only recognised when the activity that triggers the payment occurs. Applying the going concern assumption does not create a constructive obligation.</p> <p>This has no impact on the Union.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) New and Amended Standards Adopted by the Union (continued)

Reference	Title
AASB 2013-3	<p>Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets</p> <p>AASB 2013-3 amends the disclosure requirements in AASB 136 Impairment of Assets. The amendments include the requirement to disclose additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposal</p> <p>This has no impact as there has been no impairment of assets.</p>
AASB 2013-4	<p>Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139]</p> <p>AASB 2013-4 amends AASB 139 to permit the continuation of hedge accounting in specified circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations.</p> <p>This has no impact on the Union as they do not hold any derivatives.</p>
AASB 2013-5	<p>Amendments to Australian Accounting Standards – Investment Entities [AASB 1, AASB 3, AASB 7, AASB 10, AASB 12, AASB 107, AASB 112, AASB 124, AASB 127, AASB 132, AASB 134 & AASB 139]</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) New and Amended Standards Adopted by the Union (continued)

Reference	Title
AASB 2013-5	<p>These amendments define an investment entity and require that, with limited exceptions, an investment entity does not consolidate its subsidiaries or apply AASB 3 Business Combinations when it obtains control of another entity.</p> <p>These amendments require an investment entity to measure unconsolidated subsidiaries at fair value through profit or loss in its consolidated and separate financial statements.</p> <p>These amendments also introduce new disclosure requirements for investment entities to AASB 12 and AASB 127.</p> <p>The loss no impact on the Union as it is not an investment entity.</p>
AASB 2013-7	<p>Amendments to AASB 1038 arising from AASB 10 in relation to Consolidation and Interests of Policyholders [AASB 1038]</p> <p>AASB 2013-7 removes the specific requirements in relation to consolidation from AASB 1038, which leaves AASB 10 as the sole source for consolidation requirements applicable to life insurer entities.</p> <p>This is not relevant to the Union.</p>
AASB 1031	<p>Materiality</p> <p>The revised AASB 1031 is an interim standard that cross-references to other Standards and the Framework (issued December 2013) that contain guidance on materiality.</p> <p>AASB 1031 will be withdrawn when references to AASB 1031 in all Standards and Interpretations have been removed.</p> <p>AASB 2014-1 Part C issued in June 2014 makes amendments to eight Australian Accounting Standards to delete their references to AASB 1031. The amendments are effective from 1 July 2014.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n) New and Amended Standards Adopted by the Union (continued)

Reference	Title
AASB 2013-9	<p>Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments.</p> <p>The Standard contains three main parts and makes amendments to a number Standards and Interpretations.</p> <p>Part A of AASB 2013-9 makes consequential amendments arising from the issuance of AASB CF 2013-1.</p> <p>Part B makes amendments to particular Australian Accounting Standards to delete references to AASB 1031 and also makes minor editorial amendments to various other standards.</p> <p>Part C makes amendments to a number of Australian Accounting Standards, including incorporating Chapter 6 Hedge Accounting into AASB 9 Financial Instruments.</p>

o) New Accounting Standards for application in future periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Union has decided not to early adopt. A discussion of those future requirements and their impact on the Union follows:-

Reference	Title	Summary
AASB 1055	<i>Budgetary Reporting</i>	<p>This standard specifies budgetary disclosure requirements for the whole of government, General Government Sector (GGS) and not-for-profit entities within the GGS of each government.</p> <p>AASB 2013-1 removes the requirements relating to the disclosure of budgetary information from AASB 1049 (without substantive amendment). All budgetary reporting requirements applicable to public sector entities are now located in AASB1055</p> <p>This will have no impact on the Union.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 9	<i>Financial Instruments</i>	<p>AASB 9 (December 2014) is a new Principal standard which replaces AASB 139. This new Principal version supersedes AASB 9 issued in December 2009 (as amended) and AASB 9 (issued in December 2010) and includes a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially-reformed approach to hedge accounting.</p> <p>AASB 9 is effective for annual periods beginning on or after 1 January 2018. However, the Standard is available for early application. The own credit changes can be early applied in isolation without otherwise changing the accounting for financial instruments.</p> <p>The final version of AASB 9 introduces a new expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, the new Standard requires entities to account for expected credit losses from when financial instruments are first recognised. The Standard also requires to recognise full lifetime expected losses on a more timely basis.</p> <p>Amendments to AASB 9 (December 2009 & 2010 editions) (AASB 2013-9) issued in December 2013 included the new hedge accounting requirements, including changes to hedge effectiveness testing, treatment of hedging costs, risk components that can be hedged and disclosures.</p> <p>AASB 9 includes requirements for a simpler approach for classification and measurement of financial assets compared with the requirements of AASB 139.</p> <p>The main changes are described below.</p> <p>a. Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; (2) the characteristics of the contractual cash flows.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 9 (continued)	<i>Financial Instruments (continued)</i>	<p>b. Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.</p> <p>c. Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.</p> <p>d. Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows:</p> <ul style="list-style-type: none"> ▶ The change attributable to changes in credit risk are presented in other comprehensive income (OCI) ▶ The remaining change is presented in profit or loss <p>AASB 9 also removes the volatility in profit or loss that was caused by changes in the credit risk of liabilities elected to be measured at fair value. This change in accounting means that gains caused by the deterioration of an entity's own credit risk on such liabilities are no longer recognised in profit or loss.</p> <p>Consequential amendments were also made to other standards as a result of AASB 9, introduced by AASB 2009-11 and superseded by AASB 2010-7, AASB 2010-10 and AASB 2014-1 – Part E.</p> <p>AASB 2014-7 incorporates the consequential amendments arising from the issuance of AASB 9 in Dec 2014.</p> <p>AASB 2014-8 limits the application of the existing versions of AASB 9 (AASB 9 (December 2009) and AASB 9 (December 2010)) from 1 February 2015 and applies to annual reporting periods beginning on after 1 January 2015.</p> <p>This may impact the classification and measurement of the Union financial assets and liabilities.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 2014-1 Part A Annual Improvements 2010–2012 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2010– 2012 Cycle	<p>AASB 2014-1 Part A: This standard sets out amendments to Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards (IFRSs) Annual Improvements to <i>IFRSs 2010–2012 Cycle and Annual Improvements to IFRSs 2011–2013 Cycle</i>.</p> <p>Annual Improvements to IFRSs 2010–2012 Cycle addresses the following items:</p> <ul style="list-style-type: none"> ▶ AASB 2 - Clarifies the definition of 'vesting conditions' and 'market condition' and introduces the definition of 'performance condition' and 'service condition'. ▶ AASB 3 - Clarifies the classification requirements for contingent consideration in a business combination by removing all references to AASB 137. ▶ AASB 8 - Requires entities to disclose factors used to identify the entity's reportable segments when operating segments have been aggregated. An entity is also required to provide a reconciliation of total reportable segments' asset to the entity's total assets. ▶ AASB 116 & AASB 138 - Clarifies that the determination of accumulated depreciation does not depend on the selection of the valuation technique and that it is calculated as the difference between the gross and net carrying amounts. ▶ AASB 124 - Defines a management entity providing KMP services as a related party of the reporting entity. The amendments added an exemption from the detailed disclosure requirements in paragraph 17 of AASB 124 for KMP services provided by a management entity. Payments made to a management entity in respect of KMP services should be separately disclosed. <p>These are not expected to have a material impact on the Union.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 2014-1 Part A – Annual Improvements 2011–2013 Cycle	Amendments to Australian Accounting Standards - Part A Annual Improvements to IFRSs 2011–2013 Cycle	<p>Annual Improvements to IFRSs 2011–2013 Cycle addresses the following items:</p> <ul style="list-style-type: none"> ▶ AASB13 - Clarifies that the portfolio exception in paragraph 52 of AASB 13 applies to all contracts within the scope of AASB 139 or AASB 9, regardless of whether they meet the definitions of financial assets or financial liabilities as defined in AASB 132. ▶ AASB 140 - Clarifies that judgment is needed to determine whether an acquisition of investment property is solely the acquisition of an investment property or whether it is the acquisition of a group of assets or a business combination in the scope of AASB 3 that includes an investment property. That judgment is based on guidance in AASB 3. <p>This does not impact the Union.</p>
AASB 14	Regulatory deferral accounts	<p>AASB 14 permits first-time adopters to continue to account for amounts related to rate regulation in accordance with their previous GAAP when they adopt Australian Accounting Standards. However, to enhance comparability with entities that already apply Australian Accounting Standards and do not recognise such amounts, AASB 14 requires that the effect of rate regulation must be presented separately from other items. An entity that is not a first-time adopter of Australian Accounting Standards will not be able to apply AASB 14.</p> <p>AASB 2014-1 Part D makes amendments to AASB 1 First-time Adoption of Australian Accounting Standards, which arise from the issuance of AASB 14 Regulatory Deferral Accounts in June 2014.</p> <p>This does not apply to the Union as it is an existing IFRS preparer.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	<p>AASB 2014-3 amends AASB 11 to provide guidance on the accounting for acquisitions of interests in joint operations in which the activity constitutes a business. The amendments require:</p> <p>(a) the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in AASB 3 Business Combinations, to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11</p> <p>(b) the acquirer to disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations</p> <p>This Standard also makes an editorial correction to AASB 11.</p> <p>This does not impact the Union.</p>
AASB 2014-4	Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)	<p>AASB 116 and AASB 138 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset.</p> <p>The IASB has clarified that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.</p> <p>The amendment also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.</p> <p>This will not impact the Union as it does not use a revenue based method to depreciate its non-current assets.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 2014-6	Amendments to Australian Accounting Standards – Agriculture: Bearer Plants [AASB 101, AASB 116, AASB 117, AASB 123, AASB 136, AASB 140 & AASB 141]	<p>The amendments require that bearer plants such as grape vines, rubber trees and oil palms, should be accounted for in the same way as property, plant and equipment in AASB 116 Property, Plant and Equipment, because their operation is similar to that of manufacturing.</p> <p>The produce growing on bearer plants will remain within the scope of AASB 141. This Standard also makes various editorial corrections to other Australian Accounting Standards.</p> <p>This will not impact the Union.</p>
AASB 2014-1 Part B Amendments to AASB 119	Amendments to Australian Accounting Standards - Part B Defined Benefit Plans: Employee Contributions (Amendments to AASB 119)	<p>AASB 2014-Part B makes amendments in relation to the requirements for contributions from employees or third parties that are set out in the formal terms of the benefit plan and linked to service.</p> <p>The amendments clarify that if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the related service is rendered, instead of attributing the contributions to the periods of service.</p> <p>This does not impact the Union as it does not contribute to defined benefit plans.</p>
AASB 15	Revenue from Contracts with Customers	In May 2014, the IASB issued IFRS 15 Revenue from Contracts with Customers, which replaces IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations (IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC-31 Revenue—Barter Transactions Involving Advertising Services).

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 15 (continued)	Revenue from Contracts with Customers (continued)	<p>The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:</p> <p>(a) Step 1: Identify the contract(s) with a customer (b) Step 2: Identify the performance obligations in the contract (c) Step 3: Determine the transaction price (d) Step 4: Allocate the transaction price to the performance obligations in the contract (e) Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation</p> <p>Early application of this standard is permitted.</p> <p>AASB 2014-5 incorporates the consequential amendments to a number Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.</p> <p>The Union is currently assessing the impact of AASB15.</p>
AASB 1056	Superannuation Entities	<p>AASB 1056 is a new Standard applying to superannuation entities replacing AAS 25 Financial Reporting by Superannuation Plans. This new standard specifies requirements for general purpose financial statements of superannuation entities and results in significant changes to presentation of financial statements, measurement and disclosure of defined benefit obligations and disclosure of disaggregated financial information.</p> <p>The Union is not superannuation entity.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 2014-2	Amendments to AASB 1053 – Transition to and between Tiers, and related Tier 2 Disclosure Requirements [AASB 1053]	<p>The Standard makes amendments to AASB 1053 Application of Tiers of Australian Accounting Standards to:</p> <ul style="list-style-type: none"> • Clarify that AASB 1053 relates only to general purpose financial statements • Make AASB 1053 consistent with the availability of the AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors option in AASB 1 First-time Adoption of Australian Accounting Standards • Clarify certain circumstances in which an entity applying Tier 2 reporting requirements can apply the AASB 108 option in AASB 1; permit an entity applying Tier 2 reporting requirements for the first time to do so directly using the requirements in AASB 108 (rather than applying AASB 1) when, and only when, the entity had not applied, or only selectively applied, applicable recognition and measurement requirements in its most recent previous annual special purpose financial statements • Specify certain disclosure requirements when an entity resumes the application of Tier 2 reporting requirements <p>The Union is a Tier 1 reporter.</p>
AASB 2014-9	Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements	<p>AASB 2014-9 amends AASB 127 Separate Financial Statements, and consequentially amends AASB 1 First-time Adoption of Australian Accounting Standards and AASB 128 Investments in Associates and Joint Ventures, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
AASB 2014-9 (continued)	Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements (continued)	<p>AASB 2014-9 also makes editorial corrections to AASB 127.</p> <p>AASB 2014-9 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted.</p> <p>This will not impact the Union.</p>
AASB 2014-10	Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	<p>AASB 2014-10 amends AASB 10 Consolidated Financial Statements and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require:</p> <p>(a) Full gain or loss to be recognised when a transaction involves a business (whether it is housed in a subsidiary or not)</p> <p>(b) Partial gain or loss to be recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary</p> <p>AASB 2014-10 also makes an editorial correction to AASB 10.</p> <p>AASB 2014-10 applies to annual reporting periods beginning on or after 1 January 2016. Early adoption permitted.</p> <p>The Union currently is not an investor.</p>
Disclosure Initiative	Amendments to IAS 1	<p>As part of the IASB's Disclosure Initiative projects, the IASB issued Amendments to IAS 1 in December 2014. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements.</p>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New Accounting Standards for application in future periods (continued)

Reference	Title	Summary
Disclosure Initiative	Amendments to IAS 1	For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures.
Investment Entities: Applying the Consolidation Exception	Amendments to IFRS 10, IFRS 12 and IAS 28)	The amendment addresses the key issues that have arisen in the context of applying the consolidation exception for investment entities The Union is not an investment entity.

The Union does not anticipate early adoption of any of the above Australian Accounting Standards.

The financial statements were authorised for issue on 2 April 2015, by members of the Committee of Management.

p) Going Concern

The financial statements have been prepared on a going concern basis. The ability to continue as a going concern is not dependent on the financial support of other reporting units.

q) Financial Support

The Union does not provide financial support to another reporting unit.

r) Restructuring

Effective 28 March 2014 administration of the Plumbers and Gasfitters Employees' Union of Australia, West Australian Branch, Industrial Union of Workers (Plumbers' Union) was transferred from the Union to the Plumbing Trades Employees' Union Communication, Electrical & Plumbing Union (PTEU). The Union is no longer providing financial support to the Plumbers' Union. Refer further to Note 20 Discontinued operations.

There has been no other amalgamation or restructuring of the Union during the year ended 31 December 2014.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

s) s245(1) Certificate and s249 Revocation

There have been no assets or liabilities acquired during the financial year as a result of (i) a determination by the General Manager under subsection 245(1) of the Fair Work (Registered Organisation) Act 2009 of an alternative reporting structure for the organisation; or (ii) a revocation by the General Manager under subsection 249(1) of the Fair Work (Registered Organisation) Act 2009 of a certificate issued to an organisation under s245(1).

t) Business Combinations

There have been no assets and liabilities acquired during the financial year as part of a business combination (2013: \$Nil)

The financial statements were authorised for issue on 1st April 2015, by members of the Committee of Management.

2. INFORMATION TO BE PROVIDED TO MEMBERS OR REGISTRAR

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of sub-sections (1), (2) and (3) of Section 272, which read as follows:

- (1) A member of a reporting unit, or a Registrar, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.*
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.*
- (3) A reporting unit must comply with an application made under subsection (1).*

3. PRINCIPAL PLACE OF BUSINESS

The principal place of business of the Union is Unit 24, 257 Balcatta Road, Balcatta, Western Australia.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

4. REVENUE AND OTHER INCOME

(a) From Continuing Operations	2014	2013
	\$	\$
Members' Funding		
Members' Contributions	3,610,420	3,036,569
Entrance Fees	2,228	2,402
	<u>3,612,648</u>	<u>3,038,971</u>
Interest Earned		
CBA General Account	1,271	4,075
Retirement Account	23,080	27,119
CBA Online Saver	92,184	91,740
	<u>116,535</u>	<u>122,934</u>
Sundries Income		
Capitation fees	-	-
Levies	-	-
Grants	-	-
Donations	2,050	50
Contribution from CEPU National Office	50,000	-
ATC Insurance Commission	602	887
ETU Vic Insurance Rebate	248,193	191,099
Wages Subsidy-Board Fees	29,488	16,893
Other	14,870	35,242
Profit/ (loss) on disposal of motor vehicles	(10,841)	(6,067)
Total Income from Continuing Operations	<u>4,063,545</u>	<u>3,400,009</u>
(b) From Discontinuing Operations		
Members' Contributions	67,461	241,210
Total Income from Discontinuing Operations	<u>67,461</u>	<u>241,210</u>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

5. SIGNIFICANT EXPENSES ON CONTINUING OPERATIONS

The following significant expense items are relevant in explaining the financial performance.

	2014	2013
	\$	\$
Administration expenses	202,355	167,795
Affiliation fees (a)	80,271	75,456
Audit fees (b)	68,224	48,902
Campaign Costs	107,047	49,021
Conferences and meeting expenses	23,193	45,270
Consideration to employers for payroll deductions	-	-
Contribution to other CEPU offices	10,000	-
Depreciation and amortisation	84,626	63,430
Employee costs – officer (c)	1,896,271	1,607,784
Employee costs - other (d)	360,460	305,521
Fees/allowances – meetings and conferences	17,394	15,428
Finance costs (e)	48,198	60,581
Donations (f)	60,891	35,605
Grants	-	-
Impairment of receivables	11,359	40,074
Insurance	75,345	66,116
Legal costs	22,076	8,956
Levies	-	-
Occupancy costs	51,632	45,620
Other expenses	153,947	112,025
Penalties	-	-
Rental expenses	40,252	37,018
Sustentation fees/Capitation fees (g)	481,200	413,888
Travel	88,514	146,350
TOTAL EXPENSES FROM CONTINUING OPERATIONS	<u>3,883,255</u>	<u>3,344,840</u>
(a) Affiliation fees		
Unions WA	33,679	31,951
Australian Labor Party	46,592	43,505
	<u>80,271</u>	<u>75,456</u>
(b) Audit fees		
Audit services	34,369	28,363
Other services – presentation of financial statements	33,855	20,539
Total fees - continuing operations	<u>68,224</u>	<u>48,902</u>
Audit fees – discontinuing operations	<u>-</u>	<u>6,672</u>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

5 SIGNIFICANT EXPENSES ON CONTINUING OPERATIONS (continued)

	2014	2013
(c) Employee Expenses – Officer	\$	\$
Wages and salaries	1,240,891	1,065,087
Superannuation	209,099	203,356
Leave and other entitlements	211,897	179,295
Separation and redundancies	117,583	80,824
Other employee expenses	116,801	79,222
	1,896,271	1,607,784
(d) Employee expenses – Other than Office Holders		
Wages and Salaries	238,621	230,554
Superannuation	36,435	35,913
Leave and other entitlements	48,095	14,762
Separation and redundancies	23,322	14,145
Other employee expenses	13,987	10,147
	360,460	305,521
(e) Finance Costs		
Bank charges	27,780	30,559
Debt collector fees	20,418	30,022
	48,198	60,581
(f) Donations		
Unions WA	5,000	6,600
CEPU Tasmania for Bushfire support	-	10,000
Greens Party	10,000	5,000
CEPU Brisbane for Flood support	-	5,000
Maritime Union Charity Ball Tickets	-	2,000
S Achesnson Defence Campaign	-	2,000
TWU Tribute to Jim McGiveron	-	1,000
WA Institute for Medical Research	-	1,000
E Thomas Philippine Typhoon support	-	2,000
Parkerville Bushfire Appeal	5,000	-
March in March	1,000	-
Labor Senate – Louise Pratt	3,773	-
CB & I Fines	5,000	-
Lifeline	1,909	-
Mates in Construction	15,000	-
NAIDOC	10,000	-
Labor movement internship programme	2,000	-
Other	2,209	1,005
	60,891	35,605
(g) Sustentation fees/Capitation fees		
National Office - Communications, Electrical, Energy, Information, Postal, Plumbing and Allied Services Union of Australia	481,200	413,888

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

6. CASH AND CASH EQUIVALENTS

	2014	2013
	\$	\$
Commonwealth Bank – General Account	205,143	468,365
Petty Cash on Hand	1,140	1,140
	206,283	469,505

The effective interest rate on the general account is 0.5% (2013: 1.0%).
This account is at call.

7. TRADE AND OTHER RECEIVABLES

	2014	2013
	\$	\$
Accounts Receivable	351,832	255,903
Less: Provision for impairment	(56,688)	(49,861)
Bonds paid	5,000	5,000
Accounts paid in advance	12,109	-
Receivable from other reporting units	-	-
Less: Provision for doubtful debts	-	-
Net receivable from other reporting units	-	-
	312,253	211,042

No collateral is held over accounts receivable.

Credit Risk

The Union has no significant concentrations of credit risk with respect to any single counterparty or group of counterparties.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

7. TRADE AND OTHER RECEIVABLES (continued)

The following table details the Union's receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the Union and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Union.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be a high credit quality.

2014	Gross Amount	Past Due and Impaired	Past Due but Not Impaired (Days Overdue)				Within Initial Trade Terms
			< 30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Accounts receivable	351,832	56,688	182	1,679	2,614	217,815	72,854
Total	351,832	56,688	182	1,679	2,614	217,815	72,854

2013	Gross Amount	Past Due and Impaired	Past Due but Not Impaired (Days Overdue)				Within Initial Trade Terms
			< 30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Accounts receivable	255,903	49,861	1,211	2,861	3,017	153,811	45,142
Total	255,903	49,861	1,211	2,861	3,017	153,811	45,142

8. OTHER FINANCIAL ASSETS

	2014	2013
	\$	\$
Held to Maturity Assets		
CBA Retirement Account	1,015,935	992,855
CBA Online Saver Account	3,943,797	3,651,615
	4,959,732	4,644,470

These deposits are held in short-term interest bearing accounts with financial institutions with an average maturity of 90 days. These deposits are specifically set aside to fund payment of the retirement allowances and long service leave and hence have been classified as a non-current asset. The weighted average interest rate on short term deposits was 2.30% (2013: 2.63%)

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

9. PROPERTY, PLANT & EQUIPMENT

	2014	2013
	\$	\$
LAND AND BUILDINGS		
House at Cost – 1 / 30 Demetre Crescent, Karratha	102,818	102,818
Accumulated Depreciation	<u>(46,165)</u>	<u>(43,594)</u>
	56,653	59,224
Strata Unit – Rockingham – at cost	135,526	135,526
Accumulated Depreciation	<u>(15,539)</u>	<u>(12,151)</u>
	119,987	123,375
TOTAL LAND AND BUILDINGS	<u>176,640</u>	<u>182,599</u>
FURNITURE AND EQUIPMENT		
Furniture and Fittings at Cost	121,861	121,861
Accumulated Depreciation	<u>(109,671)</u>	<u>(106,370)</u>
	12,190	15,491
Furniture and Fittings – Demetre Street at Cost	16,160	8,227
Accumulated Depreciation	<u>(5,973)</u>	<u>(5,510)</u>
	10,187	2,717
TOTAL FURNITURE AND EQUIPMENT	<u>22,377</u>	<u>18,208</u>
MOTOR VEHICLES		
Cost	394,783	421,879
Accumulated Depreciation	<u>(145,949)</u>	<u>(116,861)</u>
	248,834	305,018
TOTAL MOTOR VEHICLES	<u>248,834</u>	<u>305,018</u>
OFFICE EQUIPMENT		
Cost	80,336	79,430
Accumulated Depreciation	<u>(73,645)</u>	<u>(64,632)</u>
	6,691	14,798
TOTAL OFFICE EQUIPMENT	<u>6,691</u>	<u>14,798</u>
TOTAL PROPERTY, PLANT & EQUIPMENT	<u>454,542</u>	<u>520,623</u>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

9. PROPERTY, PLANT & EQUIPMENT (continued)

Year ended 31 December 2014

Movement in Carrying Amounts	Land & Buildings \$	Furniture & Equipment \$	Motor Vehicles \$	Office Equipment \$	Total \$
Balance at the beginning of year	182,599	18,208	305,018	14,798	520,623
Additions	-	7,933	59,511	2,176	69,620
Disposals	-	-	(33,387)	-	(33,387)
Transfer to Other reporting unit PTEU	-	-	(17,688)	-	(17,688)
Depreciation Expense	(5,959)	(3,764)	(64,620)	(10,283)	(84,626)
Carrying amount at the end of year	<u>176,640</u>	<u>22,377</u>	<u>248,834</u>	<u>6,691</u>	<u>454,542</u>

Year ended 31 December 2013

Movement in Carrying Amounts	Land & Buildings \$	Furniture & Equipment \$	Motor Vehicles \$	Office Equipment \$	Total \$
Balance at the beginning of year	188,559	20,891	300,392	21,524	531,366
Additions	-	1,001	83,696	2,586	87,283
Disposals	-	-	(28,794)	-	(28,794)
Depreciation Expense	(5,960)	(3,684)	(50,276)	(9,312)	(69,232)
Carrying amount at the end of year	<u>182,599</u>	<u>18,208</u>	<u>305,018</u>	<u>14,798</u>	<u>520,623</u>

10. TRADE AND OTHER PAYABLES

	2014 \$	2013 \$
Trade Creditors & Accruals - unsecured	246,962	255,221
Legal fees payable	-	-
Consideration payable to employers for payroll deductions	-	-
Payables to other reporting units – PTEU Office	31,284	-
Membership fees received in advance	793,522	751,141
	<u>1,071,768</u>	<u>1,006,362</u>

Settlement is usually within 30 days.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

11. EMPLOYEE PROVISIONS

	Note	2014 \$	2013 \$
Office Holders			
Provision for Annual Leave	(a)	106,732	120,243
Provision for Long Service Leave	(b)	220,618	232,558
Provision for Retirement Allowance	(c)	583,777	551,394
Other		-	-
		<u>911,127</u>	<u>904,195</u>
Employees other than office holders			
Provision for Annual Leave	(a)	28,240	24,542
Provision for Long Service Leave	(b)	91,631	79,228
Provision for Retirement Allowance	(c)	287,243	278,777
Other		-	-
		<u>407,114</u>	<u>382,547</u>
Total employee provisions		<u>1,318,241</u>	<u>1,286,742</u>
a) Provision for Annual Leave			
Opening Balance		144,785	145,158
Annual Leave Entitlements Paid & Increase in Provision		(9,813)	(373)
Closing Balance		<u>134,972</u>	<u>144,785</u>
b) Provision for Long Service Leave			
Opening Balance		311,786	328,595
LSL Entitlements Paid & Increase in Provision		463	(16,809)
Closing Balance		<u>312,249</u>	<u>311,786</u>
c) Provision for Retirement Allowance			
Opening Balance		830,171	797,665
Retirement Allowance Entitlements Paid & Increase in Provision		40,849	32,506
Closing Balance		<u>871,020</u>	<u>830,171</u>
Total Provision for Employee Benefits			
Opening Balance		1,286,742	1,271,418
Entitlements Paid & Increase in Provision		31,499	15,324
Closing Balance		<u>1,318,241</u>	<u>1,286,742</u>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

12. CASH FLOW STATEMENT ADDITIONAL INFORMATION

(a) Reconciliation of Cash Flow From Operations with Profit / (Loss)	2014	2013
	\$	\$
Profit / (Loss) for the year	(9,735)	200,668
Non cash flows in Operating Surplus		
- Depreciation	84,626	69,230
- Loss on Sale of Fixed Assets	10,841	6,067
- Impairment of Receivables	20,510	45,328
- Loss on transfer of Plumbing division	247,261	-
Changes in assets and liabilities		
- Decrease/(Increase) in Receivables	(162,933)	(185,688)
- (Decrease)/Increase in Sundry Creditors & Accruals	77,045	653,066
- Increase in Provision for Employee Benefits	31,499	15,324
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>299,114</u>	<u>803,995</u>

(b) Credit Facilities

There are no credit facilities with banks.

(c) Non-cash financing and investing activities

During the year motor vehicles were traded in for a value of \$12,273 (2013: \$10,909). The trade in value was applied against the acquisition price of the new replacement vehicles.

(d) Cash inflows from other reporting units	-	-
ETU Queensland	5,000	-
CEPU National Office	45,000	-
Cash outflows to other reporting units		
CEPU National Office	538,056	585,886
CEPU Brisbane Office	-	5,000
CEPU Tasmanian Office	-	10,000
PTEU National Office (refer to Note 20)	200,000	-

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

13. MEMBERS OF THE EXECUTIVE COMMITTEE

The members of the Executive Committee of the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch, who have held office at all times during the financial year (unless otherwise stated) are:

- | | | |
|----------------|-------------------------------------|-------------|
| ▪ M Coulter | ▪ J Hughes-Owen (resigned 03.02.14) | ▪ R Manhood |
| ▪ J Dellavanzo | ▪ G McDonald (resigned 03.02.14) | ▪ J Murie |
| ▪ M Donaldson | ▪ L McLaughlin | |

14. RELATED PARTY TRANSACTIONS

a) Names of officers

The following persons have held office in the Union at all times during the financial year unless otherwise stated:

Name	Title of Officer
R Manhood	Branch President
M Coulter	Deputy Branch President
L McLaughlan	Branch Secretary
J Murie	Assistant Branch Secretary
J Balfour	Branch Councillor (resigned 04.08.14)
P Carter	Branch Councillor
D Clancey	Branch Councillor
M Coulter	Branch Councillor
J Daly	Branch Councillor (resigned 03.02.14)
J Dellavanzo	Branch Councillor
M Donaldson	Branch Councillor
G Dwyer	Branch Councillor
J Fiala	Branch Councillor
D Fowlie	Branch Councillor
T Hayes	Branch Councillor
J Hughes-Owen	Branch Councillor (resigned 03.12.14)
M Jordan	Branch Councillor (resigned 04.06.14)
G McDonald	Branch Councillor (resigned 03.02.14)
S O'Regan	Branch Councillor
B Reeve	Branch Councillor
S Taylor	Branch Councillor

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

14. RELATED PARTY TRANSACTIONS (continued)

b) Key Management Personnel Compensation

The aggregate amount of remuneration paid to officers during the year is disclosed in the Statement of Profit or Loss and Other Comprehensive Income under Employee Expenses – Officer:

Year ended 30 June 2014	Continuing Operations	Discontinuing operations	Total
	\$	\$	\$
Short term employee benefits			
Wages and salaries	1,240,891	-	1,240,891
Annual leave accrued	154,497	-	154,497
Performance bonus	-	-	-
Fringe benefits tax	47,446	-	47,446
Payroll tax	69,355	-	69,355
Total short term employee benefits	1,512,189	-	1,512,189
Post-employment benefits			
Superannuation	209,099	-	209,099
Other long-term benefits			
Long service leave	57,400	-	57,400
Termination benefits	117,583	-	117,583
Total	1,896,271	-	1,896,271
Year ended 30 June 2013			
Short term employee benefits			
Wages and salaries	1,065,087	49,903	1,114,990
Annual leave accrued	158,092	6,125	164,217
Performance bonus	-	-	-
Fringe benefits tax	33,377	-	33,377
Payroll tax	45,845	-	45,845
Total short term employee benefits	1,302,401	56,028	1,358,429
Post-employment benefits			
Superannuation	203,356	10,482	213,838
Other long-term benefits			
Long service leave	21,203	1,249	22,452
Termination benefits	80,824	2,841	83,665
Total	1,607,784	70,600	1,678,384

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

14. RELATED PARTY TRANSACTIONS (continued)

c) Other transactions

There were no other transactions between the officers and the Union other than those relating to their membership in the Union and the reimbursement by the Union in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

Effective 28 March 2014 the plumbing members have transferred to the Plumbing Trades Employees' Union Communication, Electrical & Plumbing Union (PTEU).

15. FINANCIAL INSTRUMENTS

a) Financial Instruments

The Union's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivables and payable.

The Union does not have any non-derivative instruments and is not exposed to any financial instrument risk at 31 December 2014 (2013: Nil).

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

15. FINANCIAL INSTRUMENTS (continued)

b) Interest Rate Risk and Liquidity Analysis

The Union's exposure to interest rate risk, which is the risk that the value of the financial instrument will fluctuate due to changes in market interest rates, and the effective interest rates on those financial assets and financial liabilities is as follows:

31 December 2014	Floating Interest Rate Within 1 year \$	Fixed Interest \$	Non-Interest Bearing Within 1 year \$	Total \$
Financial Assets				
Cash and deposits	205,143	-	1,140	206,283
Held to Maturity Investments	4,959,732	-	-	4,959,732
Accounts Receivable	-	-	300,144	300,144
	<u>5,164,875</u>	<u>-</u>	<u>301,284</u>	<u>5,466,159</u>
Weighted average interest rate	2.268%	-		
Financial Liabilities				
Trade and other creditors	-	-	1,071,768	1,071,768
NET FINANCIAL ASSETS / (LIABILITIES)	<u>5,164,875</u>	<u>-</u>	<u>(770,484)</u>	<u>4,394,391</u>
31 December 2013	Floating Interest Rate Within 1 year \$	Fixed Interest \$	Non-Interest Bearing Within 1 year \$	Total \$
Financial Assets				
Cash and deposits	468,365	-	1,140	469,505
Held to Maturity Investments	4,644,470	-	-	4,644,470
Accounts Receivable	-	-	211,042	211,042
	<u>5,112,835</u>	<u>-</u>	<u>212,182</u>	<u>5,325,017</u>
Weighted average interest rate	3.398%			
Financial Liabilities				
Trade and other creditors	-	-	1,006,362	1,006,362
NET FINANCIAL ASSETS / (LIABILITIES)	<u>5,112,835</u>	<u>-</u>	<u>(794,180)</u>	<u>4,318,655</u>

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

15. FINANCIAL INSTRUMENTS (continued)

Interest Rate Sensitivity Analysis

The Union has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and members funds which could result from a change in these risks.

As 31 December 2014, the effect on the operating surplus and members funds as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

	Higher / (Lower) 2014 \$	Higher / (Lower) 2013 \$
<u>Change in Operating Surplus</u>		
- Increase in interest rate by 100 basis points	51,648	51,128
- Decrease in interest rate by 100 basis points	(51,648)	(51,128)
<u>Change in Members' Funds</u>		
- Increase in interest rate by 100 basis points	51,648	51,128
- Decrease in interest rate by 100 basis points	(51,648)	(51,128)

The movements in profit are due to higher / lower interest revenue from cash balances.

c) Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, is the carrying amount of the financial assets as disclosed in the balance sheet and notes to the financial statements. The Union does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Union.

d) Net Fair Values

The financial assets and liabilities as disclosed in the balance sheet and notes to the financial statements approximate their carrying values. This is largely due to the short term maturities of these instruments. No financial assets and liabilities are readily traded on organised markets in standardised form.

The aggregate net fair values and carrying amounts of the financial assets and liabilities are disclosed in the statement of financial position and in the notes to and forming part of the accounts.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

16. CONTINGENT LIABILITIES

At the date of signing this report, there were no known contingent liabilities.

17. EMPLOYEE NUMBERS

	31/12/14	31/12/13
Number of full time equivalent employees at the end of financial year	<u>15</u>	<u>19</u>

18. CAPITAL AND LEASING COMMITMENTS

At the date of signing this report, there are no known outstanding capital commitments.

Operating lease commitments

Non-cancellable operating leases contracted for but not recognised in the financial statements:

	31/12/14	31/12/13
Minimum lease payments payable:	\$	\$
- Not later than 12 months	12,710	11,800
- Between 12 months and 5 years	7,700	21,440
- Later than 5 years	-	-
	<u>20,410</u>	<u>33,240</u>

The property lease commitment is a non-cancellable operating lease with an initial 36 month term, with rent payable monthly in advance.

19. FAIR VALUE

The Union does not measure any assets or liabilities at fair value on a recurring or non-recurring basis.

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014 (continued)**

20. DISCONTINUED OPERATIONS

(i) Effective 28 March 2014 the Plumbing members were transferred across to the Plumbing Trades Employees' Union Communication, Electrical & Plumbing Union (PTEU).

(ii) Financial Performance and Cash flow information.

	2014	2013
	\$	\$
Revenue	67,461	241,210
Expenses	(10,225)	(95,711)
Surplus attributable to members	<u>57,236</u>	<u>145,499</u>
(Loss) on transfer of the plumbing division (iii)	<u>(247,261)</u>	-
Total (loss)/profit attributed to the discontinued operation	<u>(190,025)</u>	<u>145,499</u>

The net cashflows of the discontinued division, which have been incorporated into the statement of cashflow are as follows:

Net cash (outflow) / inflow from operating activities	57,236	145,499
Net cash (outflow) / inflow from investing activities	(200,000)	-
Net cash (outflow) / inflow from financing activities	<u>-</u>	<u>-</u>
Net cash (decrease) / increase in cash generated by the discontinued operation	<u>(142,764)</u>	<u>145,499</u>

(iii) Net assets transferred / transferable to PTEU for NIL consideration.

Cash	231,284
Accounts receivable (net of provision for impairment)	39,162
Motor vehicle (written down value)	<u>17,688</u>
Total Assets	<u>288,134</u>
Membership fees in advance	<u>(40,873)</u>
Total liabilities	<u>(40,873)</u>
Net assets transferred	<u><u>247,261</u></u>

21. POST BALANCE DATE EVENTS

There were no events that occurred after 31 December 2014, or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Union.

END OF NOTES TO THE FINANCIAL STATEMENTS

**COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION, WA BRANCH**

I am an approved auditor, being a member of CPA Australia and hold a current Public Practice Certificate.

Report on the Financial Report

We have audited the accompanying financial report of the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia – Engineering and Electrical Division, comprising the Statement of Financial Position as at 31 December 2014, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Members' Funds, Statement of Cash Flows and the Statement of Recovery of Wages Activity for the year ended then ended, notes comprising a Summary of Significant Accounting Policies and Other Explanatory Notes and the Committee of Management Statement, for the year ended 31 December 2014.

Committee's Responsibility for the Financial Report

The Committee of Management of the Union is responsible for the preparation and fair presentation of the financial report with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the Fair Work (Registered Organisations) Act 2009 and for such internal control as the Committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

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ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION,
WA BRANCH

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
COMMUNICATION, ELECTRICAL, ELECTRONIC,
ENERGY, INFORMATION, POSTAL, PLUMBING AND
ALLIED SERVICES UNION OF AUSTRALIA,
ENGINEERING AND ELECTRICAL DIVISION, WA BRANCH
(continued)

Audit Opinion

In our opinion:

- (a) the general purpose financial report of the Communication, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union of Australia, Engineering and Electrical Division, WA Branch for the year ended 31 December 2014 is presented fairly in accordance with:
- a. applicable Australian Accounting Standards; and
 - b. in relation to recovery of wages activity:
 - i. that the scope of the audit encompassed recovery of wages activity;
 - ii. that the financial statements and notes and recovery of wages activity financial report properly and fairly report all information required by the reporting guidelines of the general manager, including:
 1. any fees charged to, or reimbursements of expenses claimed from members and others for recovery of wages activity; and
 2. any donations or contributions deducted from recovered money; and
 - c. any other requirements imposed by Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009.
- (b) Management's use of the going concern basis of accounting in the preparation of the Union's financial statements is appropriate.

Signed at Perth this 13th day of April, 2015.


HEWITT TURNER & GELEVITIS
AUDIT ASSURANCE DIVISION


TIMOTHY TURNER
REGISTERED COMPANY AUDITOR

HEWITT

TURNER &

GELEVITIS

